



AN ISO 9001:2008 & ISPS COMPLIANT PORT

COCHIN PORT TRUST

Willingdon Island, Cochin-682009

ANNUAL ACCOUNTS

2017-18

COCHIN PORT TRUST

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COCHIN PORT TRUST
BALANCE SHEET AS AT 31ST MARCH 2018

PARTICULARS	SCH	2017-18		2016-17	
		₹	₹	₹	₹
I SOURCE OF FUNDS					
RESERVES & SURPLUS	I				
a Capital Reserve		84,84,07,574		84,84,07,574	
b Funds		54,21,299	85,38,28,873	49,54,063	85,33,61,637
c Statutory Reserves			16,72,81,794		16,72,81,794
d Grants-in- aid			5,69,54,035		22,25,37,545
LOAN FUNDS	II				
a Secured Loans		0		0	
b Government Loans		5,58,52,91,433		5,58,52,91,433	
c Unsecured Loans		2,79,21,057	5,61,32,12,490	2,70,57,954	5,61,23,49,387
Total			6,69,12,77,192		6,85,55,30,363
COCHIN FISHERIES HARBOUR	IX		11,86,366		18,87,019
GRAND TOTAL			6,69,24,63,558		6,85,74,17,382
II APPLICATION OF FUNDS					
FIXED/CAPITAL ASSETS	III				
Gross Block		6,85,01,90,470		6,95,16,95,032	
Less:Provision for Depreciation		2,83,75,27,804		2,77,68,93,827	
Net Block			4,01,26,62,666		4,17,48,01,206
Capital Work-in-Progress			24,58,73,181		18,50,01,410
INVESTMENTS	IV		15,00,000		15,00,000
CURRENT ASSETS, LOANS AND ADVANCES					
a <u>Current Assets:</u>					
i Interest accrued		3,32,77,397		2,57,93,577	
ii Inventories		97,47,664		1,09,80,080	
iii Sundry Debtors	V	1,47,36,76,883		1,44,32,15,489	
iv Cash & Bank Balances	VI	2,11,88,92,585		1,78,89,32,096	
b Loans & Advances	VII	80,23,50,796		89,58,59,107	
Total		4,43,79,45,324		4,16,47,80,350	
Less:Current Liabilities & Provisions	VIII	7,33,59,34,632		7,13,52,54,994	
NET CURRENT ASSETS			-2,89,79,89,308		-2,97,04,74,644
c Profit & Loss account (Accumulated loss)			5,32,92,30,653		5,46,47,02,391
TOTAL			6,69,12,77,192		6,85,55,30,363
COCHIN FISHERIES HARBOUR	IX		11,86,366		18,87,019
GRAND TOTAL			6,69,24,63,558		6,85,74,17,382

**FINANCIAL ADVISER &
CHIEF ACCOUNTS OFFICER**

CHAIRMAN

COCHIN PORT TRUST

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2018

	SUB SCH	2017-18	2016-17
		₹	₹
<u>INCOME</u>			
Cargo Handling & Storage charges	E	1,99,70,95,790	1,68,61,10,526
Port & Dock charges (including Pilotage fees)	F	2,21,63,02,337	2,32,75,10,359
Railway earnings	G	0	0
Estate Rentals	H	1,05,45,47,929	94,87,28,032
Total		5,26,79,46,056	4,96,23,48,917
<u>LESS EXPENDITURE:</u>			
Cargo handling and storage	I	55,07,87,379	55,03,11,169
Port & Dock facilities for Shipping (including Pilotage)	J	1,74,53,90,002	1,79,81,14,304
Railway workings	K	0	0
Rentable lands and buildings	L	23,22,15,018	23,65,86,526
Management & General Administration (not directly attributed to particular activity)	M	1,14,37,87,999	1,10,01,20,287
Total		3,67,21,80,398	3,68,51,32,287
Operating Profit (+) / Loss (-)		1,59,57,65,658	1,27,72,16,630
Add: Finance & Misc. Income	N	51,14,89,391	48,80,17,504
Total		2,10,72,55,049	1,76,52,34,134
Less: Finance & Misc. Expenditure	O	1,97,17,83,311	2,03,68,87,206
Profit before Tax		13,54,71,738	-27,16,53,072
Less: Provision for taxation			
Profit after Tax		13,54,71,738	-27,16,53,072
<u>Less : Appropriations</u>			
Capital Reserve		0	0
Total			
Balance transferred to Revenue Reserve		13,54,71,738	-27,16,53,072
<u>COCHIN FISHERIES HARBOUR</u>			
Income	P	3,98,25,114	3,63,42,044
Expenditure		3,23,33,116	3,18,09,673
Surplus (+) / Deficit (-)		74,91,998	45,32,371

**FINANCIAL ADVISER & CHIEF
ACCOUNTS OFFICER**

COCHIN PORT TRUST
SCHEDULES TO BALANCE SHEET AS AT 31.03.2018

PARTICULARS	SCH	SUB SCH	2017-18	2016-17
			₹	₹
<u>RESERVES & SURPLUS</u>	I	A&B		
Capital Reserve			84,84,07,574	84,84,07,574
CPE (HBA) Family Benefit Fund			30,86,183	28,79,449
Employees' Welfare Fund			22,12,626	18,51,076
Family Security Fund			1,22,490	2,23,538
Total			85,38,28,873	85,33,61,637
<u>STATUTORY RESERVES</u>	I	B		
Fund for Replacement, Rehabilitation and Modernisation of Capital Assets			9,83,85,897	9,83,85,897
Fund for Development, Repayment of Loans and Contingencies			6,88,95,897	6,88,95,897
Total			16,72,81,794	16,72,81,794
<u>GRANTS- IN-AID</u>	I	C		
Grant in Aid for Development of dedicated Cruise Passenger Facilitation Centre			0	-6,75,129
Grant-in-aid under ASIDE Scheme			-3,11,40,617	3,48,09,276
Grant-in-aid for Development of Walkway and Parking Facilities			74,63,411	4,39,53,586
Grant in Aid for Construction of a Subway/Flyover in front of International Container Transhipment Terminal(ICTT)			-1,39,29,019	-3,52,53,475
Grant in Aid under R&D Schemes "Studies on Siltation and Optimal ameliorative measures"			13,40,419	-82,91,326
Grant in Aid for Refurbishment & Capacity enhancement of Coastal Liquid Terminal in Cochin Port			-1,35,93,140	4,49,63,434
Grant in Aid for Procurement Of Pollution Responses(PR) equipment / materials			63,74,188	2,61,45,250
Grant in Aid - Implementation of projects under IPDS			59,018	32,60,000
Grant in Aid - Swachhta Action Plan			0	2,61,00,000
Grant in Aid-Upgradation of berth and backup area of Ekm. Wharf			4,17,17,000	4,33,06,000
Grant-Rail Over Bridge			-5,31,61,245	-4,75,00,771
Total			-5,48,69,985	13,08,16,844
Less: Excess amount spent over Grant-in-Aid - receivable from Ministry disclosed under Current Assets			-11,18,24,020	-9,17,20,701
Total Grant			5,69,54,035	22,25,37,545
<u>LOAN FUNDS</u>	II			
A. UNSECURED LOANS				
(a) Other Source Loan				
Principal amount of Loan			66,39,257	66,39,257
Add:- Interest Accrued			2,12,81,800	2,04,18,697
Closing Balance			2,79,21,057	2,70,57,954
<u>B. LOAN FROM GOVERNMENT</u>	II			
Principal amount of Loan			2,58,14,30,444	2,58,14,30,444
Add:- Interest Accrued			2,82,85,41,642	2,82,85,41,642
Add:- Penal Interest Accrued			17,53,19,347	17,53,19,347
Closing Balance			5,58,52,91,433	5,58,52,91,433

**FINANCIAL ADVISER &
CHIEF ACCOUNTS OFFICER**

COCHIN PORT TRUST

SCHEDULES TO BALANCE SHEET AS AT 31.03.2018

PARTICULARS	SCH	SUB SCH	2017-18	2016-17
			₹	₹
<u>INVESTMENTS</u>	IV			
Investment in shares			15,00,000	15,00,000
Total			15,00,000	15,00,000
<u>SUNDRY DEBTORS</u>	V			
Government Dues - Less than 6 months			10,74,72,785	11,39,62,072
- More than 6 month			75,39,14,069	64,02,34,958
Non Government Dues - Less than 6 months			8,58,22,229	5,97,83,889
- More than 6 month			62,71,57,455	67,01,21,190
			1,57,43,66,538	1,48,41,02,110
Less: Provision for doubtful debts			10,06,89,655	4,08,86,621
Total			1,47,36,76,883	1,44,32,15,489
<u>CASH & BANK BALANCES</u>	VI	D		
Cash on Hand			6,146	67,354
Bank Balance :				
Current Accounts			17,12,69,984	27,64,05,721
Fixed Deposits			1,94,73,91,982	1,51,21,20,592
Cash Card			2,24,473	3,38,429
Total			2,11,88,92,585	1,78,89,32,096
<u>LOANS AND ADVANCES (Recoverable in Cash or in kind or for Value to be Received)</u>	VII			
Payment in Advance and Debit Balance			66,61,12,888	78,22,47,108
Deposits			2,44,13,887	2,18,91,298
Add: Excess amount spent over Grant-in-Aid receivable from Ministry			11,18,24,020	9,17,20,701
Total			80,23,50,796	89,58,59,107
<u>CURRENT LIABILITIES & PROVISIONS</u>	VIII			
<u>Current Liabilities</u>				
General Provident Fund			60,94,75,132	60,17,64,297
Salaries & Wages payable			32,54,46,911	5,69,43,860
ESI contribution-Emp			1,86,611	1,78,217
EPF contribution-Emp			6,09,781	5,92,752
Accrued expenses			2,32,81,93,333	2,85,81,82,403
Misc. Creditors & Credit Balance			2,01,71,66,597	1,54,67,92,270
Deposits from Merchants, Contractors & Others			2,05,48,56,267	2,07,08,01,194
Total			7,33,59,34,632	7,13,52,54,994

**FINANCIAL ADVISER &
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COCHIN PORT TRUST
CAPITAL ASSET REGISTER AS ON 31.03.2018

SCHEDULE III

(Amount in ₹)

SI No.	Assets	GROSS BLOCK				PROVISION FOR DEPRECIATION				NET BLOCK	
		As on 01-04-2017	Additions	Deletions	As on 31-03-2018	Balance as on 01-04-2017	On Deletions	During the year	Total as on 31-03-2018	As on 31-03-2018	As on 01-04-2017
1	Land	51,49,16,218	0	0	51,49,16,218	0	0	0	0	51,49,16,218	51,49,16,218
2	Capital Dredging	84,42,64,556	0	0	84,42,64,556	16,54,63,329	0	84,56,966	17,39,20,295	67,03,44,261	67,88,01,227
3	Buildings,Sheds and other structures	72,94,25,017	25,20,248	16,47,690	73,02,97,575	31,15,15,883	3,69,649	2,38,65,391	33,50,11,625	39,52,85,949	41,79,09,133
4	Wharves,Roads and Boundaries	1,80,49,05,309	3,77,73,371	0	1,84,26,78,679	47,46,21,062	0	4,27,99,840	51,74,20,901	1,32,52,57,778	1,33,02,84,247
5	Floating Crafts	1,60,96,49,238	0	13,70,39,812	1,47,26,09,426	1,07,02,65,141	13,70,39,811	5,18,32,032	98,50,57,362	48,75,52,064	53,93,84,097
6	Docks, Sea Walls etc	18,18,56,439	0	0	18,18,56,439	14,23,11,865	0	1,20,06,376	15,43,18,241	2,75,38,197	3,95,44,573
7	Cranes & Vehicles	17,17,33,061	0	11,86,762	17,05,46,299	8,89,10,591	11,86,760	1,56,42,171	10,33,66,002	6,71,80,297	8,28,22,470
9	Plant and Machinery	38,53,55,784	5,94,680	44,05,836	38,15,44,629	18,76,51,301	40,83,211	2,41,86,748	20,77,54,838	17,37,89,790	19,77,04,483
9	Installations for water, electricity,	65,98,03,669	34,45,109	0	66,32,48,779	29,00,05,666	0	2,58,25,344	31,58,31,010	34,74,17,769	36,97,98,004
10	Oil Pipeline Installations	3,83,25,308	0	0	3,83,25,308	3,75,34,096	0	46,541	3,75,80,637	7,44,671	7,91,212
11	Miscellaneous Assets	1,14,60,435	1,75,000	17,32,870	99,02,565	86,14,893	17,32,869	3,84,869	72,66,893	26,35,672	28,45,542
	TOTAL	6,95,16,95,032	4,45,08,408	14,60,12,970	6,85,01,90,470	2,77,68,93,827	14,44,12,300	20,50,46,278	2,83,75,27,804	4,01,26,62,666	4,17,48,01,205
	Capital Work in Progress	18,50,01,410	6,08,71,771	0	24,58,73,181	0	0	0	0	24,58,73,181	18,50,01,410
	GRAND TOTAL	7,13,66,96,442	10,53,80,179	14,60,12,970	7,09,60,63,651	2,77,68,93,827	14,44,12,300	20,50,46,278	2,83,75,27,804	4,25,85,35,847	4,35,98,02,615

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SUB SCHEDULE - A

COCHIN PORT TRUST

CAPITAL RESERVE

PARTICULARS	₹
Opening Balance as on 1.4.2017	30,86,183
Closing Balance as on 31.3.2018	30,86,183

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COCHIN PORT TRUST

DETAILS OF FUNDS & STATUTORY RESERVES

	Family Security Fund	Employees Welfare Fund	House Building Advance - FBF	Reserve for Development Repayment of loans and Contingencies	Reserve for Replacement, Rehabilitation & modernisation of Capital Assets
G/L CODE	110102	110101	110100	110201	110200
	₹	₹	₹	₹	₹
Balance as on 1 st April 2017	2,23,539	18,51,076	28,79,449	6,88,95,897	9,83,85,897
<u>Add:</u> Contribution from GRF	8,00,000	7,00,000	67,100		
Contribution from employees	2,14,302	0	1,34,200		
Interest on investments	0	0	2,82,639		
Total	12,37,841	25,51,076	33,63,388	6,88,95,897	9,83,85,897
<u>Less:</u> Expenditure/ Adjustments from Fund	11,15,350	3,38,450	2,77,205		
Balance as at 31st March 2018	1,22,490	22,12,626	30,86,183	6,88,95,897	9,83,85,897

FINANCIAL ADVISER &
CHIEF ACCOUNTS OFFICER

**COCHIN PORT TRUST
GRANT-IN-AID**

(₹ Crores)

Sl. No.	Name of work	GL	Grant Received									Expense Incurred									Balance
			Prior to 2011-12	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Total	Prior to 2011-12	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	Total	
1	Cruise Passenger Facilitation Centre	110003		2.45	0.65	1.09	1.47	-	-	0.15	5.81		-	4.88	0.13	0.67	-	0.05	0.08	5.81	0.00
2	ASIDE - Cargo Handling Equipments	110004		10.00	-	-	-	-	-		10.00		1.10	8.90	-	-	-	-		10.00	0.00
3	ASIDE Power supply to Vallarpadam	110004		-	7.50	-	-7.50	-	-		0.00		-	-	-	-	-	-		0.00	0.00
4	ASIDE grant for Barge Berth	110004		-	-	7.50	-	-	2.28		9.78		-	-	-	-	-	6.99	6.59	13.58	-3.80
5	ASIDE grant for CFS	110004		-	-	2.02	-	2.02	0.07		4.11		-	-	0.40	2.92	0.40	-0.31		3.41	0.70
6	Development of Walkway	110005		-	0.12	1.12	0.00	-	4.75	0.05	6.04		-	0.21	0.84	0.01	0.31	0.23	3.69	5.29	0.75
7	Development of dedicated Cruise Berthing facilities	110006		-	11.21	-	-	9.97	0.20		21.38		-	-	8.35	6.19	6.84	-		21.38	0.00
8	Subway-Vallarpadam	110007		-	-	-	10.00	-	8.45	8.31	26.76		-	-	-	0.53	11.90	9.54	6.18	28.15	-1.39
9	R&D Studies on Siltation	110008		-	-	-	1.25	2.17	0.07	2.11	5.60		-	-	-	0.48	0.48	3.36	1.15	5.47	0.13
10	Septage Treatment Plant	110009		-	-	-	1.70	-	-		1.70		-	-	-	0.20	1.24	0.26		1.70	0.00
11	Refurbishment of Coastal Liquid Terminal	110010		-	-	-	-	7.48	5.29		12.77		-	-	-	-	0.13	8.14	5.86	14.13	-1.36
12	Procurement of Pollution Response Equipment	110011		-	-	-	-	2.61	-		2.61		-	-	-	-	-	-	1.98	1.98	0.63
13	IPDS	110012		-	-	-	-	-	0.32		0.32		-	-	-	-	-	-	0.32	0.32	0.00
14	Swachh Bharat	110013							2.61	2.00	4.61		-	-	-	-	-	-	4.61	4.61	0.00
15	Upgradation of berth and backup area of Ekm. Wharf	110014							4.33		4.33		-	-	-	-	-	-	0.16	0.16	4.17
16	Rail Over Bridge-Vallarpadam	110015	298.17	75.05						5.00	378.22	304.15	46.19	10.00	0.11	3.30	6.45	7.76	5.58	383.54	-5.32
	Total		298.17	87.50	19.48	11.73	6.92	24.25	28.36	17.62	494.03	304.15	47.29	23.99	9.83	14.30	27.75	36.02	36.20	499.53	-5.49

**FINANCIAL ADVISER &
CHIEF ACCOUNTS OFFICER**

COCHIN PORT TRUSTBALANCE AT BANKS AND CASH ON HAND AS ON 31.03.2018

PARTICULARS		₹
Cash on hand		6,146
Cash Card		2,24,473
Current Account with Nationalised and Scheduled Banks		17,12,69,984
Fixed Deposits with Banks:		
General Reserve Fund	31,34,00,000	
Deposit Works	93,51,70,701	
Grants	7,99,56,000	
Total Deposits		1,32,85,26,701
General Provident Fund		58,83,00,000
HBA FBF Investments		20,00,000
LC (Margin Money)		2,85,65,281
TOTAL		2,11,88,92,585
Balance with Scheduled Banks		2,11,88,86,439
Balance with Non Scheduled Banks		NIL

**FINANCIAL ADVISER &
CHIEF ACCOUNTS OFFICER**

COCHIN PORT TRUST

FIXED DEPOSITS AS ON 31.03.2018

(Amount in ₹)

Sl. No.	Name of Fund / Investment	Long Term Investment	Short Term Investment	Total
1	R & R Fund		31,34,00,000	31,34,00,000
2	Deposit Works	16,09,34,401	77,42,36,300	93,51,70,701
3	Grants		7,99,56,000	7,99,56,000
4	HBA FBF	20,00,000	-	20,00,000
5	LC (Margin Money)	-	2,85,65,281	2,85,65,281
6	General Provident Fund	58,83,00,000	-	58,83,00,000

**FINANCIAL ADVISER &
CHIEF ACCOUNTS OFFICER**

SUB - SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2018

INCOME

	2017-18	2016-17
	₹	₹
<u>SUB-SCHEDULE - E</u>		
<u>Cargo handling & Storage charges</u>		
Handling & Storages charges on general cargo	18,54,46,438	16,83,06,556
Crannage	11,21,056	6,06,591
Petroleum, Oil and lubricants handling charges	83,31,27,895	66,45,47,777
Demurrage on general cargo	70,21,488	66,20,093
Handling and Storage Charges on Containers	27,93,600	62,07,312
Miscellaneous charges - Cargo	2,02,60,826	3,29,83,180
Revenue share from ICTT	83,10,27,512	75,11,52,316
Waterfront Royalty- LNG Basin	11,62,96,975	5,56,86,700
Total	1,99,70,95,790	1,68,61,10,526
<u>SUB-SCHEDULE - F</u>		
<u>Port & Dock Charges</u>		
Towage and Mooring fees	17,52,92,258	17,53,16,862
Berth Hire charges	20,66,35,423	22,56,09,001
Port dues	54,72,81,614	52,02,92,702
Pilotage Fees	1,14,17,99,691	1,18,70,32,870
Water supply to shipping	1,28,70,215	1,41,59,234
Miscellaneous charges - Vessel	75,23,701	92,31,200
Pollution Control Unit	0	4,17,101
Income from Dredging Services	5,64,48,000	8,51,32,566
Income from Cruise Vessel	6,84,51,435	11,03,18,823
Total	2,21,63,02,337	2,32,75,10,359
<u>SUB-SCHEDULE - G</u>		
Railway earnings	0	0
<u>SUB-SCHEDULE - H</u>		
<u>Estate Rentals</u>		
Rent from land	62,23,87,495	50,20,74,070
Rent from buildings,sheds & godowns	7,77,11,640	10,77,94,405
Miscellaneous Income	32,32,71,208	32,16,31,693
Sundry Income	3,11,77,585	1,72,27,864
Total	1,05,45,47,929	94,87,28,032

**FINANCIAL ADVISER &
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SUB - SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2018

EXPENDITURE

	2017-18	2016-17
	₹	₹
<u>SUB-SCHEDULE - I</u>		
<u>Cargo handling & Storage</u>		
Handling & Storage of general cargo at sheds & wharves	38,28,12,445	37,67,25,014
Handling & Storage of containers	11,62,312	25,28,900
Operation & maintenance of crane and vessels	2,16,01,074	2,56,30,213
Handling of Petroleum, Oil & Lubricants	7,22,85,622	6,80,35,090
Expenditure on general facilities at wharves & boundaries	44,73,732	42,34,941
Administration and General expenses	6,84,40,944	7,31,36,772
New Minor works	11,250	20,240
Total	55,07,87,379	55,03,11,169
<u>SUB-SCHEDULE - J</u>		
<u>Port & Dock facilities for shipping including Pilotage</u>		
Towing, Berthing and Mooring	19,32,37,460	20,95,40,595
Pilotage	5,60,73,863	4,16,92,102
Water supply to shipping	1,08,89,686	2,43,13,981
Fire fighting	8,97,00,171	8,21,36,957
Dredging and Marine survey	1,12,93,67,642	1,18,48,07,583
Harbour Patrol	55,41,116	51,82,793
Operation & Mtnce. of Navigational aids	3,92,63,494	3,99,80,580
Administration and general expenses	21,83,66,570	21,02,97,038
New Minor works	29,50,000	1,62,676
Total	1,74,53,90,002	1,79,81,14,304
<u>SUB-SCHEDULE - K</u>		
<u>Railway workings</u>		
Maintenance of station, other Buildings and structures	0	0

**FINANCIAL ADVISER &
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SUB - SCHEDULES TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2018

EXPENDITURE

	2017-18	2016-17
	₹	₹
<u>SUB-SCHEDULE - L</u>		
<u>Rentable land and buildings</u>		
Estate maintenance	12,51,49,863	13,27,60,855
Administration & General expenses	10,70,27,356	10,37,70,771
New Minor works	37,800	54,901
Total	23,22,15,018	23,65,86,526
<u>SUB-SCHEDULE - M</u>		
<u>Management & General Administration</u>		
Management & Secretariat expenses	31,13,87,306	33,45,42,043
Medical expenses	12,98,55,603	13,55,13,292
Stores keeping	1,82,10,490	1,89,14,243
Accounting and Auditing	24,27,13,462	18,86,46,812
Head office building & telephones	92,38,305	1,06,05,084
Engineering & workshop administration	15,66,77,810	13,36,10,617
Overhead and sundry expenses	27,56,98,300	27,73,47,548
New Minor works	6,723	9,40,649
Total	1,14,37,87,999	1,10,01,20,287

**FINANCIAL ADVISER &
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GL CODE	Description	2017-18	2016-17
		₹	₹
	<u>SUB-SCHEDULE - N</u>		
	<u>Finance & Miscellaneous Income</u>		
540000	Sundry Receipts	21,62,27,167	25,63,37,436
540001	Profit/Loss on disposal of Capital Assets	65,78,668	47,42,955
540003	Interest receivable from IGTPPL	2,25,73,660	2,82,35,252
540004	Recovery of Insurance Claim on Capital Assets	0	1,92,24,474
540005	Interest Income	5,85,29,998	3,45,45,950
540006	Sale of Unserviceable & Surplus Stores	0	14,89,694
540007	Hire of Motor Lorry & Sundry Plants	93,391	1,42,006
540008	Charges for Project Management Services	6,28,98,346	5,05,19,327
540009	Items Relating to Previous Year	12,23,232	3,10,70,117
540010	Medical Scheme for Pensioners	68,518	89,840
540011	Medical Treatment to Non-Entitled Persons	4,54,365	10,73,845
540012	Premium for lease of land	3,17,99,872	6,05,46,608
540013	Served From India Scheme (SFIS) Income	11,10,42,174	0
	Total	51,14,89,391	48,80,17,504
	<u>SUB-SCHEDULE - O</u>		
	<u>Finance & Miscellaneous Expenditure</u>		
670000	Scrap of Assets	3,22,626	0
670002	Bank Charges	9,27,705	2,09,192
670004	Prov. For Doubtful Debts	5,98,03,034	1,70,27,053
670005	Ex-Gratia-C.P.E. VRS	5,11,68,970	0
670006	Contribution to Employees Welfare Fund	7,00,000	6,20,000
670007	Contribution to Family Security Fund	8,00,000	4,00,000
670008	Contribution to Pension Fund Trust	1,53,49,50,422	1,69,05,92,862
670009	Expenditure Relating to Previous Years	87,60,254	8,14,95,042
670010	Contribution to CPTE HBA FBF	67,100	77,588
670012	Contribution to CPE New Pension Scheme	76,27,427	75,38,061
670014	Contribution to Gratuity Fund Trust	15,71,00,061	14,69,97,439
670018	Scrap of unserviceable Stores	1,193	0
670020	Salary Arrears Payable	13,59,00,000	0
670023	Interest on Electricity Deposit	30,90,182	34,24,215
670024	Interest on loans - Mumbai Port Trust	0	16,83,118
670025	Penal Interest - GoI Loans	0	3,47,82,044
670026	Interest on other source loans	8,63,103	8,63,103
670027	Expense on Feasibility and R&D Studies	76,13,989	3,37,00,900
670029	Interest -Others	20,87,245	1,74,76,589
	Total	1,97,17,83,311	2,03,68,87,206

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ADDITIONAL SCHEDULE TO PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31-03-2018

OPERATING EXPENDITURE

GL CODE	Description	2017-18	2016-17
		₹	₹
	<u>SALARIES & WAGES:</u>		
600000	Salaries & Wages (General)	17,44,24,410	16,65,89,300
600002	PLR	2,10,72,410	2,43,13,290
600003	Overtime	2,89,12,672	3,30,42,349
600004	Incentive	33,55,698	33,40,537
600005	Honararium	81,02,569	84,75,035
600006	Leave Encashment	8,49,28,632	5,14,81,746
600007	Salaries & Wages (Operational)	67,79,29,087	63,62,86,872
600008	Salaries & Wages (R&M)	40,97,84,881	38,60,46,516
600010	Leave Travel Concession	2,57,076	1,28,709
600011	Staff Amenities & Welfare Measures	39,707	40,557
600012	Employers ESI contribution	15,74,501	11,19,450
600013	Employers EPF contribution	37,00,174	56,09,781
640000	Salaries (Port Security)	2,24,76,040	2,08,01,963
650000	Salaries & Wages-Medical	8,99,37,464	8,92,93,614
	TOTAL (A)	1,52,64,95,322	1,42,65,69,719
	<u>STORES</u>		
610000	Stores-General	14,28,014	12,61,549
610001	Stores-Uniform	13,54,966	13,61,294
610002	Stores-Operational	94,48,647	80,43,791
610003	Stores-Fuel	11,79,06,565	13,33,54,415
610004	Stores (R&M)	1,07,24,780	1,59,33,246
	TOTAL (B)	14,08,62,972	15,99,54,294
	<u>OFFICE & ADMINISTRATIVE EXPENSES</u>		
620000	Consumption Stores-Stationery	5,31,885	6,99,253
620001	Books & Periodicals	5,810	6,088
620002	Travelling Expense	47,38,442	55,02,791
620004	Courier charges	2,28,736	2,32,982
620005	Licence fees & Royalty	30,34,323	31,00,465
620006	Equipment & Furniture	1,48,574	3,81,840
620007	Office Equipment	0	54,568
620008	Office furniture	0	2,400

GL CODE	Description	2017-18	2016-17
		₹	₹
620010	Misc.Expenses	42,67,323	57,55,619
620011	New Minor Works	33,69,938	18,54,875
620012	Trustees Fees	99,900	51,000
620013	Entertainment	11,65,294	30,33,360
620014	Training Programme	6,87,142	7,97,490
620015	Sports & Games	9,00,000	6,00,000
620016	Legal Charges	65,92,382	1,92,15,693
620017	Printing Charges	7,83,827	15,78,411
620018	Office Machine hire & service charges	39,883	49,277
620019	Publicity & Advt.	30,64,646	61,51,791
620020	Audit & Accounting	51,28,821	63,80,558
620021	Rent, Rates & Taxes	18,61,624	11,26,919
620022	Telephones	15,68,582	18,88,343
620023	Subscription	1,34,294	2,02,272
620024	Donations & Contributions	0	7,000
620025	IPA Share Contribution	1,01,66,000	65,69,162
620026	Marketing expense	16,22,798	1,04,58,775
	TOTAL (C)	5,01,40,223	7,57,00,931
	<u>OPERATION & MAINTENANCE EXPENSES</u>		
630000	R&M arranged through Contract-Roads	42,01,910	67,39,824
630001	R&M arranged through Contract-Buildings	72,81,227	29,97,244
630002	R&M arranged through Contract-Plant & Equipments	37,98,331	43,04,402
630004	Dry Docking of Floating Crafts	1,12,47,677	4,70,57,274
630005	Special R&M arranged through Contract-Roads	18,21,538	34,80,281
630006	Special R&M arranged through Contract-Buildings	8,94,666	67,32,553
630007	Special R&M arranged thru Contract-Plant & Equipments	75,41,842	23,95,332
630008	Hire of Vehicles & Transport Charges	73,63,183	67,42,903
630009	Water Charges	3,40,59,025	3,03,19,499
630012	Electricity Charges	23,91,93,876	24,39,95,351
630013	Hire of Boats, Tugs & Launches	13,23,96,637	12,17,73,786
630015	Maintenance Dredging	1,03,18,96,072	1,06,60,33,814
630016	Sundry Expense	3,90,03,393	2,78,56,219
630017	Insurance	40,65,641	60,70,738
630018	Self Consumption-Electricity	2,51,90,865	1,08,70,687
	TOTAL (D)	1,54,99,55,884	1,58,73,69,907

GL CODE	Description	2017-18	2016-17
		₹	₹
	<u>SECURITY EXPENSES</u>		
640001	Hire of Boats for Patrolling	20,34,875	20,34,875
640002	I S P S	1,01,000	1,47,743
640004	CISF-Deployment Charges	15,81,08,209	18,15,84,815
640005	SEZ - Cost Recovery	42,47,179	42,92,000
640006	Private Security Charges	24,48,298	26,19,572
	TOTAL (E)	16,69,39,561	19,06,79,005
	<u>MEDICAL EXPENSES</u>		
650001	Stipend, Fees & Honorarium to Specialists	35,26,954	34,30,019
650002	Stores-Medical	1,75,42,002	2,37,33,474
650003	Provisions-Medical	9,39,284	6,92,168
650004	Hospital Equipment	51,743	83,635
650005	Medical Expenses	16,48,573	18,87,298
650006	Charges paid to Outside Hospitals	90,31,603	84,87,044
	TOTAL (F)	3,27,40,159	3,83,13,638
	<u>DEPRECIATION</u>		
	Depreciation for the year	20,39,66,327	20,40,49,487
670021	Prior Period Depreciation	10,79,951	24,95,305
	TOTAL (G)	20,50,46,278	20,65,44,792
	GRAND TOTAL (A) TO (G)	3,67,21,80,398	3,68,51,32,287

**FINANCIAL ADVISER &
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COCHIN FISHERIES HARBOUR
BALANCE SHEET AS ON 31ST MARCH 2018

(Amount in ₹)

	PARTICULARS	2017-18		2016-17	
A	<u>SOURCES OF FUNDS</u>				
	Grant in aid received from GOI	19,10,32,261		19,10,32,261	
	Less : Grant utilised	18,98,45,895	11,86,366	18,91,45,242	18,87,019
	TOTAL		11,86,366		18,87,019
B	<u>APPLICATION OF FUNDS</u>				
	Fixed Assets				
	Gross Block	18,98,45,895		18,91,45,242	
	Work in Progress	0		0	
		18,98,45,895		18,91,45,242	
	Less : Grant received	18,98,45,895	0	18,91,45,242	0
	Current Assets, Loans and Advances				
	<u>a. Current Assets:</u>				
	(i) Interest accrued on investments	17,38,880		12,41,662	
	(ii) Postage Stamps	36		300	
	(iii) Sundry Debtors	35,37,252		7,56,189	
	(iv) Cash & Bank Balances	3,92,02,855		2,89,63,902	
	<u>b. Loans & Advances</u>	14,86,982		15,86,724	
	Total	4,59,66,005		3,25,48,777	
	Less: Current Liabilities & Provisions	7,09,57,734		6,43,31,852	
	NET CURRENT ASSETS		-2,49,91,729		-3,17,83,075
	Profit & Loss Account (Accumulated Deficit)		2,61,78,095		3,36,70,094
	TOTAL		11,86,366		18,87,019

**FINANCIAL ADVISER &
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COCHIN FISHERIES HARBOUR
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2018

(Amount in ₹)

Amount 2016-17	Expenditure	Amount 2017-18	Amount 2016-17	Income	Amount 2017-18
2,07,32,246	Salary & other benefits	2,16,90,270	1,09,12,376	Toll collection	1,09,48,769
24,68,982	Electricity charges	23,26,545	19,59,475	Electricity charges	19,00,192
24,94,949	Security Charges	25,27,798	62,95,414	Fish out - handling charges	64,55,423
15,86,727	Water charges	13,23,991	47,76,433	Lease rent on land	74,69,098
16,65,066	Repairs & maintenance	12,06,923	34,74,553	Building and ground rent	43,54,557
3,74,000	Professional Charges	3,53,266	23,87,737	Misc. Receipts	9,33,080
1,10,513	Printing and Stationary	2,03,733	20,40,451	Lease of slipway	24,03,963
66,234	Sundry expenses	59,945	10,30,560	Water charges	10,31,771
25,595	Travelling Expense	25,939	10,65,000	Licensing and license fee	15,35,803
23,716	Medical reimbursement	58,584	8,24,727	Fish landing charges	6,16,367
34,101	Telephone charges	33,394	13,82,249	Bank interest	19,89,730
1,273	Revenue & postal stamps	830	1,93,069	Enrolment of fishing crafts	1,86,361
1,025	Misc. (Stores & Newspaper)	0			
0	Penalty on Service Tax	1,60,500			
22,25,246	Provision for retirement benefits	23,61,398			
45,32,371	Surplus	74,91,998			
3,63,42,044		3,98,25,114	3,63,42,044		3,98,25,114

**FINANCIAL ADVISER &
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COCHIN FISHERIES HARBOUR
RECEIPTS & PAYMENTS ACCOUNT FOR THE YEAR ENDED 31.03.2018

(Amount in ₹)

Amount 2016-17	Receipts	Amount 2017-18	Amount 2016-17	Payments	Amount 2017-18
1,26,281	Opening cash in hand	1,12,193	2,02,64,080	Salary & PLR	1,95,09,599
2,01,03,016	Opening cash at Bank	1,22,51,709	23,716	Medical reimbursement	58,584
1,93,069	Enrolment of fishing crafts	1,86,361	25,595	Travelling Expense	25,939
10,65,000	Licensing and license fee	15,04,779	1,10,513	Printing and Stationary	2,01,328
47,76,433	Lease rent on land	54,12,656	1,500	Revenue & postal stamps	2,855
34,74,553	Building and ground rent	43,54,557	16,65,066	Repairs & maintenance	12,06,923
20,40,451	Lease of slipway	20,77,377	1,025	Misc. (Stores & Newspapers)	0
8,24,727	Fish landing charges	6,16,367	5,52,790	Refund of SD. / Ground rent	9,74,512
62,95,414	Fish out - handling charges	64,55,423	34,101	Telephone charges	33,394
19,59,475	Electricity charges	18,92,514	24,68,982	Electricity charges	23,26,545
1,09,12,376	Toll collection	1,09,48,769	15,86,727	Water charges	13,23,991
9,74,212	Misc. Deposit / Security	12,91,283	694	Cheque charges	10,900
23,87,737	Misc. Receipts	9,30,605	65,541	Sundry expenses	41,824
3,09,588	Bank interest	14,72,989	4,013	Deposit with CESTAT	1,40,911
44,14,111	Service Tax Collection	12,76,220		Penalty on Service Tax late fee	1,32,411
1,01,912	TDS Liability	97,032	3,74,000	Professional Charges	3,53,266
10,30,560	Water charges	9,77,321	24,94,949	Security Charges	25,27,798
25,00,000	Deposit Received	67,00,000	41,98,125	Service Tax Paid	7,93,491
	GST Collected	42,00,527	1,02,592	TDS Liability paid	87,158
	Receipts relating to previous years;		1,81,601	TDS Receivable	0
60,252	- Lease rent on land		4,08,716	Service Tax Cenvat Credit	1,34,258
	- Building and Ground Rent	4,000	0	GST Paid	31,96,910
			0	GST cenvat Credit	3,77,230
			20,940	Security Deposits - KSEB	0
			1,66,00,000	Fixed Deposit	1,85,00,000
			1,12,193	Closing cash balance	1,55,913
			1,22,51,709	Closing Bank balance	1,06,46,942
6,35,49,167		6,27,62,682	6,35,49,167		6,27,62,682

**FINANCIAL ADVISER &
CHIEF ACCOUNTS OFFICER**

NOTES TO ANNUAL ACCOUNTS 2017-18

Part I - Significant Accounting Policies

1. Income and expenditure are accounted based on mercantile system of accounting.
2. While accounting income, the principle of conservatism has been followed.
3. Fixed assets, inventory and investments are accounted on historical cost method.
4. Depreciation is provided in the accounts on straight-line basis, assuming the value of the asset at the end of life span as Re.1/-. Life span of the asset is fixed based on the guidelines issued by the Govt. of India from time to time. Depreciation is charged proportionately from the date of capitalization.
5. Upfront payment received on lease of land is spread over equally to the period of lease.
6. Premium on lease of land is treated as the income in the year of receipt under Finance and Miscellaneous Income.
7. Prior period items, i.e., income or expense which arise in the current financial year as a result of errors or omissions in the preparation of financial statements or due to revision of bills or claims of one or more prior periods are included under Finance & Miscellaneous Income or Finance & Miscellaneous Expenditure.
8. Income received out of investments from various funds is credited to the respective funds.
9. Contingent liabilities are disclosed in the "Other Notes" to accounts.
10. Grant in Aid received related to specific fixed assets are presented in the Balance Sheet by showing the grant as a deduction from the gross value of the assets concerned in arriving at their book value.
11. Revenue on Cargo and Vessel Related Services are recognized on completion of service. Revenue from estate is recognized on time basis.
12. Export incentive is recognized when there is a reasonable assurance that the conditions are met and incentive will be received.

Part II - Other Notes

13. Figures of Balance Sheet, P & L Account & Schedules have been regrouped where ever necessary consequent on changes in the items during the year.

14. **Performance of the Port**

Cochin Port Trust handled 29.14 MMT of cargo during 2017-18 against 25.01 MMT during 2016-17. During 2017-18, number of vessels called in at the Port is 1544 against 1655 vessels during 2016-17. Port handled 5,55,812 TEUs of containers in 2017-18 as against 491087 TEUs in 2016-17.

15. **Grant in Aid:**

- a) An amount of Rs.373.22 crores was received from Govt. of India towards Rail Connectivity (including ROB) to ICTT. The Port disbursed the amount to RVNL amounting to Rs.360.48 crores and balance amount was spent towards land acquisition and other related works. Since RVNL could not take up the ROB work, they remitted Rs 10 Crores in January 2015 from the balance amount available with them.

The 3rd Revised Cost Estimate for Rail Connectivity submitted by the Port amounting to Rs 409.83 Crores was approved by the Ministry of shipping on 16.02.2016. During 2017-18, port received Rs 5 crores towards the same. The port has spent an amount of Rs 19.78 Crores till 31.03.2018 for the construction of Rail Over Bridge.

The construction of ROB work was taken up by the Port along with the construction of a flyover in front of the exit gate of the ICTT to decongest the area at a cost of Rs.60 crores and awarded to M/s.GPT GEO JV on 17.01.2015. The Ministry of Shipping had sanctioned an amount of Rs 30 Crores as Budgetary Support towards the construction of Subway/Flyover out of which an amount of Rs 26.76 Crores was received from the Ministry till 31.03.2018. The total expenditure incurred by the Port till 31.03.2018 towards the construction of subway at Vallarpadam amounts to Rs 28.15 Crores.

- b) An amount of Rs 5.37 Crores (50 % of the estimated cost) was sanctioned and released by the Ministry of Shipping under R&D Schemes for studies on Siltation and Optimal ameliorative measures at Cochin Port for minimizing the maintenance dredging cost. Besides interest accrued credited to grant during the years 2014-15, 2015-16 & 2016-17 amounts to Rs 0.23 crores. The Port has spent Rs.5.47 crores till 31-03-2018 being 50% of the total expenditure chargeable to grant. Hence, balance fund available with the port amounts to Rs 0.13 crores. The Port will request the Ministry to adjust the same against the grant to be released for any other project.
- c) An amount of Rs 12.77 Crores was received from the Ministry of Shipping as Budgetary Support towards Refurbishment and Capacity Enhancement of Coastal Liquid Terminal in Cochin Port against the sanctioned amount of Rs

14.9625 Crores being 75% of the estimated cost of Rs 19.95 Crores. Balance 25% is to be borne by M/s BPCL. Based on the tendered value of the contract, the port requested the Ministry to approve revised estimated cost amounting to Rs 23.63 Crores which is pending before the Ministry.

The Port has spent an amount of Rs 18.84 Crores upto 31.03.2018 for the project and 75% of the same being Rs 14.13 Crores has been charged to the total grant received Rs 12.77 Crores. The balance 25% of the expenditure attributable to BPCL (including applicable GST) amounts to Rs 4.90 crores towards which they have remitted Rs 4.53 crores till 31.03.2018.

- d) The Ministry of Shipping had sanctioned an amount of Rs 10.46 Crores towards the procurement of Oil Pollution Responses (PR) equipment/materials out of which an amount of Rs 2.61 Crores released by the Ministry on 04-08-2015. The port has spent Rs 1.98 crores till 31.03.2018 being 50% of the total expense chargeable to grant. Balance 50% has been charged to Oil Companies like BPCL, IOCL and HPCL.
- e) During the year 2016-17, the Ministry of Shipping has sanctioned and released an amount of Rs 2.61 Crores to CoPT under Swachhta Action Plan being 50% of the total estimated cost of Rs 5.22 Crores. Further, an amount of Rs 2 crores was released during 2017-18. The expense incurred during 2017-18 amounting to Rs 4.61 crores have been charged to grant.
- f) The Ministry of power had sanctioned an amount of Rs 3.26 crores under IPDS being 60% of the estimated cost towards strengthening of Sub transmission and Distribution Network in electrical power distribution area of Cochin Port Trust including installation of roof top solar panel. Against this, Cochin Port Trust has received Rs 32.60 Lakhs on 31.10.2016. The total expense incurred by the port amounts to Rs 53 lakhs out of which 60% amounting to Rs 32.00 lakhs has been charged to grant.
- g) The Ministry of Tourism has sanctioned an amount of Rs 9.01 crores towards the Development of Walkway against which an amount of Rs 4.50 Crores has been received on 09.11.2016 being 50% of the grant sanctioned. An amount of Rs 3.69 crores was spent towards the same till 31.03.2018.
- h) The Ministry of Tourism has sanctioned an amount of Rs 21.41 Crores to CoPT for upgrading of Berths and Back up Area of Ernakulam Wharf (Cruise Terminal). During 2016-17, an amount of Rs 4.33 Crores was released to the port as first installment of the grant. The initial incidental expenses to the tune of Rs 0.16 crores incurred till 31.03.2018 have been charged to grant. The tendering of the work is in progress.

- i) The Ministry of Commerce has sanctioned an amount of Rs 15 Crores under ASIDE Scheme for the construction of Barge berth at Puthuvypeen (part of MULT project) against the total estimated cost of Rs 31.93 Crores. Against this, the port had received Rs 7.50 Crores on 05.08.2013 and Rs 0.88 Crores on 30.03.2017. As per the instruction of the Ministry, the interest accrued on the unutilized amount of grant amounting to Rs. 1.40 Crores have been credited to the grant. The total expenditure incurred for the project till 31.03.2018 amounts to Rs 27.17 Crores out of which 50% amounting to Rs 13.58 Crores has been charged to grant received.

The Ministry has now discontinued the ASIDE scheme and introduced a new scheme known as Trade Infrastructure for Export Scheme (TIES). Port requested the Ministry to grant the balance amount for Construction of Barge Berth under the new scheme-TIES. However, the same was denied by the Ministry. Hence, the port has requested for the balance fund under Sagarmala scheme. Approval of the Ministry is awaited.

16. **Loans availed from Government of India**

The Cabinet Committee on Economic Affairs (CCEA) in its meeting held on 24th August, 2016 has approved the proposal of CoPT towards the following:

- (i) Waiver of penal interest on GOI loans availed by Cochin Port Trust to the tune of Rs 897.23 Crores.
- (ii) Freezing the liability on account of GOI loans, interest thereon and penal interest @ 0.25% as on 31.03.2016 amounting to Rs 557.16 Crores. (Rs 258.14 Crores + Rs.17.57 Crores)
- (iii) Scheduling the repayment of the amount frozen as above in 10 years commencing from 2018-19.

The final liability of GOI loan as on 31.03.2016 as per the records of Principal Chief Controller of Accounts amounts to Rs 558.53 Crores. Necessary provision has been made in the accounts for the year 2016-17 so as to tally the final liability with the records of CCA.

17. **Capitalisation:**

Assets worth Rs. 4.45 Crores have been capitalized during the year 2017-18. Capital Work In Progress as on 31.03.2018 amounts to Rs. 24.59 Crores.

18. **Provisions:**

- a) Provision has been created for Wage Revision for the year 2017-18 amounting to Rs 13.59 crores. Provision has also been created for the special pay arrears payable to Class I&II for the period 2012-17 amounting to Rs 13.59 crores.

b) Necessary provisions have been made for doubtful debts in the accounts.

19. **Service Tax**

Central Excise Authorities had issued 26 Show Cause Notices demanding a total of Rs 68.86 Crores for the non collection of service tax on services provided in Estate Rentals, Rent on Jetties, License fee, Upfront payment, Royalty from M/s. IGTPL and excess utilization of Cenvat credit, ineligible Cenvat Credit, CISF proportionate charges for security services, legal charges. Based on legal opinion, Port Trust has filed appeal and all matters are under sub-judice before appropriate Authority/Tribunal/High Court of Kerala.

20. **Investments:**

Government of India has approved Port's investment of Rs.15 lakhs in equity shares of Cochin Bridge Infrastructure Co. Ltd. as an investment of funds under Section 88(2)(d) of the MPT Act 1963 vide Letter No.PO/28025/2/2004-PLN dated 21st November 2006. This has been shown as 'Investments in Shares' in Annual Accounts.

21. **Arbitration and legal proceedings**

Arbitration with M/s PLL in connection with revised lease rent was awarded in favour of CoPT vide order dated 24.08.2017 allowing CoPT to collect differential lease rent at warehouse rates along with penal interest. However, PLL has filed an appeal for setting aside the Arbitration award to the extent of enhancement in lease rentals made applicable from 2010 to 2014. PLL also filed stay application for staying of operation of the Award dated 24-8-2017, pending disposal of Original Petition. The Hon'ble Court on 16-10-2017 stayed the operation of the Arbitration Award subject to the condition that the Petitioner shall pay revised rent to the Respondent as per TAMP order from 2014 onwards. PLL again filed another Interlocutory Application seeking modification to the Court Order dated 16-10-2017 to the extent of the condition imposed on the Petitioner for payment of rent as per TAMP order 2010. CoPT had also filed an OP for getting enhanced lease rentals on "Land with water frontage rates" and the claim for dredged sand. Based on the legal opinion and the order dated 16.10.2017, CoPT claimed revised lease rent from 01.04.2014 to 30.09.2017 with interest amounting to Rs.26.38 crores. In response, PLL had remitted an amount of Rs. 15 Crores towards dredging advance. Meantime, Hon. High Court of Kerala passed an interim order dated 13.04.2018 for stay of recovery for a period of 3 months on condition that CoPT can adjust balance amount paid by the PLL towards advance dredging charges, and PLL shall pay yet another amount of Rs.5 crores and produce a Bank Guarantee for the balance amount, within a period of 4 weeks from the date of receipt of a copy

of order dated 13.4.2018. Further PLL was also directed to pay 50% of the enhanced rate”.

Subsequently PLL filed Writ Appeal against order dated 13.04.2018 and Hon’ble High Court vide order dated 27.04.2018 passed an interim order that the impugned order dated 13.04.2018 shall not be implemented for a period of two weeks.

- a) The arbitration proceedings regarding the payment of Transfer Fee by M/s. BPCL-KR which was awarded in favour of Cochin Port Trust was challenged by M/s. BPCL-KR before the Additional Secretary & Appellate Authority, Ministry of Law and Justice, New Delhi. This appeal was also disposed off in favour of CoPT vide order dated 17th October, 2016. According to the order, BPCL has to pay Transfer fee and Net Present Value of lease rent for balance period of lease along with interest thereon @ 6% from the date of amalgamation till the date of order and @ 12% from the date of order till the date of actual realisation.

BPCL has remitted the arbitration claim of Rs.20.59 crores which includes Rs.11.88 crores towards interest and Rs.8.70 crores towards transfer fee and balance amount of NPV of lease rent.

- b) M/s IGTPPL had filed claim before the Arbitral Tribunal to the tune of Rs 300 Crores against which port had filed counter claim amounting to Rs 1070.71 Crores which comprises of claims raised in connection with capital and maintenance dredging work, loss due to concession on Vessel related charges, loss of revenue share on account of under utilization of facilities, cost of deployment of CISF at ICTT, reimbursement of leave salary and gratuity contribution in respect of port employees deputed to IGTPPL from 01.04.2005 to 28.02.2011. The Arbitral Tribunal passed Award on 12.05.2017. The issue in respect of date of commencement of Licence period was awarded in IGTPPL’s favour. In respect of the issue of cost of CISF deployment at ICTT and reimbursement of leave salary, pension and gratuity contribution, the tribunal stated that IGTPPL has to bear the cost but did not specified the amount to be paid. The Arbitral Tribunal in the order stated that the parties have to sort out what amount are payable by the claimant and sort it out between themselves. Based on the Expert opinion of Attorney General of India, CoPT filed petition against the Award dated 12.05.2017 passed by the Arbitral Tribunal in the Hon’ble District Court, Ernakulam on 16.08.2017 and is pending for consideration of the Court.

- c) M/s. Jaisu Shipping Co. Pvt. Ltd., who executed the Contract of ‘Dredging for maintenance of channels at Cochin Port for the year 2007-08 invoked the

Arbitration Clause in the Agreement and claimed Rs. 3.51 crores. The Arbitral Tribunal in the Arbitration Award passed on 15.05.2013 directed Cochin Port to pay an amount of Rs 0.87 Crores to M/s. Jaisu Shipping Company along with interest @ 9% per annum from the date of the claim (19.04.2012) till the date of Award and thereafter at the same rate till the payment is made. Aggrieved on the Award, Cochin Port has challenged the Arbitration Award dated 15.05.2013 under Section 34 of the Arbitration and Conciliation Act 1996 which is pending before the Hon'ble District Court, Ernakulam. Last hearing was held on 02.04.2018.

- d) The contract for Capital Dredging of approach channel and ICTT berth basin for providing depth as required for 14.50 meter draft container vessels and maintenance dredging of Cochin Port during the period from 01.09.2008 to 31.12.2010 under the Agreement No.52 of 2008-09 was entrusted to M/s. Jaisu Shipping Co. Pvt. Ltd. who failed to provide the deliverables for which the payments has been withheld by the Port. The Bank Guarantee of Rs. 19.25 Crores submitted by Jaisu Shipping Co. Pvt. Ltd was encashed during 2011-12. The party then invoked the Arbitration clause in the Agreement.

As per the direction of the Hon'ble High Court of Kerala, Jaisu Shipping Co. Pvt. Ltd has filed amended claim statement before the reconstituted Arbitral Tribunal worth Rs. 795 Crores incorporating all the additional claims filed by them and CoPT has filed the Statement of defence. Jaisu Shipping Co. Pvt. Ltd has also claimed payment of final bill for the work already done, release and return of security deposit, retention amount and encashed Performance Guarantee. Port has filed counter claim amounting to Rs. 322 crores. The arguments of the claimant were heard by the Arbitral Tribunal. The argument of Port has commenced and is in progress.

The bill for February 2011 and March 2011 for Rs 3.69 Crores towards Maintenance Dredging was not processed for payment as necessary supporting documents were not submitted.

- e) Litigation in respect of sponsorship fee due from M/s. Jaisu Shipping Co. Pvt. Ltd amounting to Rs 2.98 Crores along with interest @ 12% p.a for Volvo Ocean Race has been awarded in favour of Cochin Port Trust on 26.09.2013. As per the legal Opinion obtained by the Port, CoPT can file execution petition for recovery of the amount within 12 years from the date of decree. However, for this the assets owned by M/s Jaisu Shipping Co. Pvt. Ltd which are having no encumbrance to be attached are to be identified and other civil procedure are to be complied with. Necessary provision for doubtful debts have been created for the same in the books of accounts during the year 2017-18.

- f) The arbitration with Basil Associates in respect of delay in completing the work and consequent imposition of penalty in respect of the work of "Drain (Phase I) at Puthuvyee" had commenced on 23.02.2015. The claim amount from the claimant is Rs.70 Lakhs. The Arbitral Tribunal passed the Award on 17.05.2017, directing Port to pay Rs.22,22,000/- with simple interest at 9% from 07.05.2015 to 17.05.2017, if paid within 45 days from the date of Award or else to pay the amount with 9% simple interest on the principal amount from 07.05.2015 till date of payment. As per the Award, Rs.26.81 lakhs (Principle Amount of Rs.22.22 lakhs and simple interest @ 9% p.a. from 07.05.2015 to 21.08.2017 amounting to Rs.4.59 lakhs) was released to M/s Basil Associates on 22.08.2017.
- g) A suit was filed by M/s Jakhau Salt Company Pvt. Ltd for the loss of cargo due to collapse of Mattancherry Wharf for Rs.1.47 crores which was decreed against the Port. Port filed appeal before the Hon'ble High Court of Kerala, which is still pending.
- h) Installation & Commissioning of 110 KV sub-station and connected works at Cochin Port Trust was to complete in a period of 12 months as per agreement with M/s Siemens Ltd. Since there was a delay of 9 months in completing the work, liquidated damages of Rs.1.76 crores as per the agreement was deducted while making the final payment. Arbitration award was against the Port and hence the Port appealed against the award before the Hon'ble District Court, Ernakulam. The case posted on 31.03.2018 was adjourned to 01.06.2018.
- i) CoPT had entered into a contract with M/s.Tebma Shipyards Ltd., Chennai, for construction and delivery of two nos. 45 Tons BP Tugs. Since the delivery of Tugs was delayed, CoPT had recovered Liquidated Damages of Rs. 8.09 Crores from the contractor. They raised objection to CoPT's above decision and the matter was referred for Arbitration. Arbitral Tribunal has passed an award on 10.09.2013 rejecting the claim of the Contractor. Subsequently, M/s. Tebma Shipyards Ltd., has filed an appeal on 21.12.2013 before Hon'ble District Court, Ernakulam to set aside the award and to direct CoPT to release the Liquidated Damages of Rs. 8.09 Crores with interest. CoPT filed objections to the statement of facts submitted by M/s.Tebma Shipyards Ltd. Proceedings of the Court are in progress and last hearing was held on 09.04.2018.
- j) Port had filed a civil suit on 28.03.2014 against M/s. Tebma Shipyards Ltd., before the Hon'ble Sub Court at Kochi to recover an amount of Rs.1.05 Crores with interest at the rate of 15%, which was incurred by Cochin Port to rectify the manufacturing defects noticed on the Tugs supplied by M/s. Tebma Shipyards Ltd. They have submitted an affidavit dated 06.02.2015 before

Hon`ble Sub Court, Kochi praying to direct the Port Trust to refer the dispute for arbitration as stipulated in terms of Clause 45.0 of Agreement Dated 05.10.2006. The Court had directed to refer the matter for arbitration and both the parties have appointed arbitrators. Presently, Presiding Arbitrator has to be appointed by the arbitrators.

- k) Cases are pending with the Supreme Court of India against various Customers, in connection with the Judgement of Hon`ble High Court of Kerala towards refund of excess ground rent collected beyond 75 days (approximately Rs. 1.58 crores). The case was posted for hearing before Supreme Court on 18.04.2017 and matter adjourned to 03.05.2017. Subsequently, the SLPs were taken up by the court on 12th , 13th & 14th of September 2017. After hearing the arguments, the Bench referred the matter to a larger Bench of 3 judges. The case is pending.
- l) Land Acquisition cases related to the Project `Providing Direct Road Connectivity to the SEZ area at Puthuvypeen, CoPT advanced an amount of Rs.1.07 Crores as deposit in Sub Court, Kochi towards 50% of the Decree Debt for the conditional stay in the execution petition moved by the evictees/claimants. The remittance of the remaining amount is subject to the final verdict. The co-developers in Puthuvypeen SEZ viz. PLL, BPCL-KR & IOCL were requested to reimburse their share towards the 50% amount advanced by CoPT out of which PLL have reimbursed their share of Rs 26.97 lakhs. The share of IOCL & BPCL on this account amounting to Rs.26.97 lakhs is still pending which is being followed up.
- m) The arbitration with M/s Vembanad Construction on imposition of penalty in respect of the work of "Ground and over head RCC Water Tank at CFH" was awarded in favour of M/s Vembanad Constructions vide award dated 09.08.2017. As per the Arbitral Award, Rs 10.45 lakhs (including interest and arbitration expense) was released to M/s Vembanad Constructions on 15.11.2017. They have also affirmed that they have no further claim against Cochin Port Trust in connection with the Arbitration Award and the matter is closed.
- n) The arbitration with M/s P.J Johnson & Sons with respect to hiring of Twin Screw Steel/FRP Survey Launch for M/s IIC TechnologiesLtd, Hyderabad for study of Siltation for implementation of Nautical depth Concept in Cochin Port Trust for a period of five years was awarded in favour of M/s P.J Johnson & Sons. As per legal opinion, there was only little scope for challenging the award and hence the Board in its meeting held on 22.03.2018 approved to satisfy the award. Necessary provision has been created in the books of

accounts for the amount payable to M/s P.J Johnsons as on 31.03.2018 as per the award.

- o) M/s.Lots Shipping Ltd. invoked the Arbitration against CoPT with respect to operation of Ro-Ro/ Lo-Lo Barge Service between W/Island & Bolghatty, claiming Rs 14.346 crores towards losses on account of low average daily volumes than the projected volumes in the tender, charter cost/day, maintenance costs of staff, taxes & levies paid, cost of frequent repair and loss of profit. Based on the default/dues on the part of M/s Lots Shipping Ltd. as per contract conditions, CoPT raised a Counter Claim of Rs 15.905 crores towards business loss, non-payment of Terminal Usage charges, parking charges, damages claim etc. Sole Arbitrator has been appointed and Arbitration proceedings are in progress.

22. **Retirement Benefits:**

- a) Based on the data of 31.03.2018, the actuarial valuation of liability made by LIC is Rs2274.39 Crores. The pension liability for the pensioners and existing employees is Rs 1342.27 crores and Rs 801.25 crores respectively totaling Rs 2143.52 Crores and Gratuity liability for existing employees is approximately Rs 130.87 Crores. Against this, Cochin Port is having investment of Rs.130.86 Crores and Rs 8.44 Crores in Pension and Gratuity Fund respectively as on 31.03.2018.
- b) The Actuarial Valuation of Pension liability has come down to Rs 2143.52 Crores as on 31.03.2018 as against Rs 2843.72 crores as on 31.03.2017 mainly because till last year, LIC has been valuing the Pension Liability of the Pensioners based on Return of Capital method. As per this method, the annuitant will get pension for life with return of capital to the nominee upon the death of the annuitant. During the current year, based on the request of the port, they have valued the pension liability based on a method more closer to the CCS pension rules as per which the annuitant will get lifelong pension and after death, his/her nominee will get 50% of the annuity. In case of predecease of spouse, pension will be paid to the annuitant as long as he/she survives.
- c) During the Board Meeting of Cochin Port Trust held on 14.08.2014 it was decided to transfer 50% of premium on lease of land received to Pension Fund. It was also decided in the Board Meeting held on 22.08.2015 to transfer the premium received on leasing of land in full to Pension Fund Trust considering the deteriorating position of the Pension Fund. The

premium for the year 2017-18 amounting to Rs 3.18 crores has been fully transferred to Pension fund of LIC. Besides, port has transferred Rs 48.76 crores to LIC Pension Fund during the year 2017-18.

23. **Other Disclosures:**

a) Joint Venture with IWAI for RO-RO Operation

RO-RO Terminal has become operational from 25.02.2011. As per the MOU entered between IWAI and CoPT on 08.10.2009, the management and operation of RO-RO Terminals at Bolgatty Island and Willingdon Island will be carried out jointly by the port and IWAI by forming a Joint Management Committee (JMC) comprising of representatives of both the parties. As per the MOU, Port shall arrange for collection of terminal charges from the contractor and will prepare Annual Accounts of all transactions relating to the use of the terminals. The administrative expenditure shall be met out from the revenue earned and the net surplus generated will be shared in the ratio of 70% to IWAI and 30% to CoPT. A separate Bank Account in the name of JMC was opened to remit the amount received against terminal usage charges from the contractor.

Since the JMC do not have any legal status, the Port suggested IWAI to account for the revenue and compliance of all statutory formalities in connection with the operation of RO-RO Terminal. Since IWAI is not a party to the contract between Cochin Port and M/s.LoTs Shipping, IWAI suggested having a supplementary agreement between IWAI, CoPT and LoTs Shipping.

Since the party has defaulted the payment of Terminal Usage Charges (TUC), the Port has encashed the Bank Guarantee. The Party could not furnish the Bank Guarantee since then and have also filed an arbitration petition against the Port. The IWAI stated that because of the above factors, entering into a supplementary agreement is not feasible and requested the Port to find a solution to close the accounts and comply with the statutory obligations at the earliest.

As opined by the tax consultant of the port, it was jointly decided to open a new bank account by the port for the purpose of JMC and the entire fund lying in the bank account of JMC was then transferred to the newly opened account. The salary paid to the staff deputed by the port for the supervision of the terminal operations and contribution for pension, leave salary and gratuity, and maintenance dredging of Ro-Ro channels by IWAI is adjusted from the revenue earned by the terminal.

The newly opened bank account for JMC has been shown under the bank balances of the port and corresponding Joint Venture with IWAI has been grouped under Current liabilities.

The audited accounts of JMC as on 31.03.2018 shows accumulated profit amounting to Rs 35.17 Lakhs. 30% of the profit share amounting to Rs 10.55 lakhs attributable to Cochin Port Trust has been recognized as income under "sundry receipts" in the books of CoPT during the year 2017-18. 70% share of profit amounting to Rs 24.62 lakhs is attributable to M/s IWAI which has been shown as due to IWAI in the books of CoPT.

b) Outstanding dues from Pre-1996 lessees.

With respect to Pre - 1996 lessees, port had charged revised lease rent based on TAMP notified rates 2010 in the year 2014. However, lessees filed litigation in the Hon'ble High Court of Kerala through Cochin Port Lease Holders Association and Interim Order was issued on 25.02.2015 to maintain status -quo in the matter. The litigation is still pending and amount outstanding as on 31.03.2018 is Rs. 3.52 Crores. Meanwhile, estate rentals were once again revised vide TAMP Notification No. 304 dated 22.07.2016 and came into effect from 21.08.2016. Based on legal opinion obtained by the port, bills at TAMP notified rate was raised in respect of all lessees including Pre-1996 lessees. However, vide WP(C) No. 12138/2017 (N), Cochin Port Leaseholders Association along with 2 other petitioners (Pre-1996 lessees) filed a petition in the Hon'ble High Court of Kerala. Vide order dated 06.04.2017, interim stay for recovery of enhanced amounts was passed.

c) License fees on jetties

The Port collects license fees from boat Jetties and piers based on the CoPT (Licensing of Jetties, Slipways and Boat Pens) regulations, 1968 and its amendments in 1996. License fees initially was Rs 1,297 per Jetty per annum which was enhanced to Rs 1,00,000 per Jetty per annum for those rent out their jetties for tying up Valloms/boats belonging to others. As required u/s 123(n) of the MPT Act, 1963, the amendments were published in the official Gazette on 13.05.2014 and the same was communicated to Jetty owners on 16.06.2014. Jetty owners filed Writ petition in the Hon'ble High Court of Kerala and interim Order was passed that if the petitioners pay 1/4th of the demand, no action shall be initiated against the petitioners. Out of 247 jetties in use, only 58 owners have paid license fee. Balance is pending on account of litigation.

d) Electricity bills of NTB & STB

The Port HT Electricity connection to North and South Tanker Berths was billed under HTII (Non Industrial - Non Commercial) Tariff. Consequent on revision of tariff, KSEB reclassified the tariff from HT II to HT IV (Commercial) w.e.f. 15-05-1999 and KSEB issued revised bill for the period from May 1999- July 2010 and raised demand of arrear. The Port filed Writ Petition on the matter and issue is presently pending. The Port is presently paying bill raised by KSEB as per HT II tariff. The differential amount towards disputes is Rs 29.25 lakhs as on 31.03.2018 .

- e) In the case of estate rentals, billing has not been made in those cases for which port has issued resumption notice and eviction is under process.

f) Duty Credit scrip:

For the year 2015-16, CoPT has received duty credit scrip under the Foreign Trade Policy 2015-20, issued by the DGFT for Rs. 6.09 Crores. The scrip can be utilized only for payment of customs duty and is freely transferrable. Since CoPT did not anticipate any imports in the near future, it was decided to sell the same through e-auction. The e-auction was conducted on 17.04.2018 and realised 98.85% of the scrip value amounting to Rs. 6.02 Crores. The Port has also filed the application for the Duty Credit Scrip for the year 2016-17 amounting to Rs.5.14 crores and is yet to be issued by JDFT. The Port has recognized the income during 2017-18, from the sale of scrip for the years 2015-16 and 2016-17, based on the net realizable value of 98.85%.

Similarly, M/s IGTPPL has also received the scrip for 2015-16 and 2016-17 for Rs. 7.12 Crores and Rs. 6.53 Crores respectively. C&AG has observed that IGTPPL has to pay revenue share on sale of SEIS Scrips and the Port based on the legal opinion, raised a demand on IGTPPL for Rs. 4.55 Crores. The Revenue Auditors have also mentioned in the Note to the Audit Report for the year 2016-17 that IGTPPL has not paid the revenue share on sale of SEIS scrips. However, IGTPPL subsequently informed the Port that Royalty is not payable on SEIS scrips vide their letter dated 25.04.2018. The Port will take further steps in consultation with the Legal Advisor and Revenue Auditors in this regard.

24. A separate set of accounts of Cochin Fisheries Harbour is shown in the accounts.

**FINANCIAL ADVISER &
CHIEF ACCOUNTS OFFICER.**